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Fiscal union in the years of pandemic and war crises: reflections and interventions for greater efficiency

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Abstract: This paper aims to investigate the competences of the Union in fiscal matters and especially the situation of the latest crises, the difficulties that are linked to the lack of a fiscal union, and the attempts of the European Union that, through the European Commission, operates, with compass the founding treaties, to achieve a greater efficiency. It is a work of commitment that is going on for years through binding acts and soft law. It is dedicated to the formation of a real European fiscal policy that will hope to pass with the revision of the treaties in the coming years offering thus greater efficiency in the sector.

Keywords: Fiscal Union of the EU; interventions of the European Commission; binding acts; EU budget; value added tax.

Introduction

The fiscal union within the European Union is part of the sector of approximation and harmonization towards direct taxation and above all of an exclusive competence of its Member States. The non-association between fiscal and monetary policy has as a consequence the emptying of the relative content of solidarity between states in the taxation sector. National governments preferred to maintain the relative ownership of the fiscal lever, which represents a qualifying element for the sovereignty of each Member State of the Union.

The absence of a common policy between Member States and especially after the Ukrainian crisis and the pandemic has resulted in further attention for the fiscal matter of the Union

concentrated on the attempts of the European Commission to take positions, considerations based on future prospects of an integration in the European fiscal policy sector, also arriving at a revision of the treaties of the Union.

What is the regulatory framework in tax matters?

Tax matters as well as the majority of the Union policies are based and entrusted to the relevant treaties and the competences attributed, as management of the single currency in state aid and as a discipline that penalizes especially companies of countries that have a high tax policy pressure.

As can be understood from the expression of the relevant treaties, Art. 3 TFEU concerning exclusive competence, Art. 4 TFEU relating to competing matters, and Art. 6 TFEU containing the areas of such action (Kellerbauer, Klamert, Tomkin, 2024), do not include the matters that are part for the completion of a Tax Union. Thus, tax pressure is mentioned as a fragmented action that is part of different objectives that also

create a diversification between countries with a greater room for maneuver towards a major unification.

We notice Chapter II of Title VII of the TFEU, which provides for the adoption of fiscal provisions that limit, safeguard the relative functioning of the single market based on free competition. The absence of a common taxation has as its objective to make use of the principle of subsidiarity towards a positive integration that respects and implements fiscal harmonization and coordination.

The Union issues a tax regulation that is based on coordination, judging as unsuitable to remove obstacles about the taxing power of Member States. The internal market is considered as a mandatory stabilization, which is based on the work of the European Union and the Court of Justice of the European Union (Zernova, 2011)[1], that is a rigorous, precise but also difficult path in practice. Tax coordination occurs through non-mandatory

1CJEU, 23 March 2006, C-470/04, Keller Holding, ECLI:EU:C:2006:525, I-07409. 5 October 2004, C-475/01, Commission v. Greece (Ouzo), ECLI:EU:C:2004:585, I-08923.

instruments, such as recommendations, communications and other soft law measures, which give important support towards the formation of a Union tax policy. Tax coordination is also connected with the taxing power that is exercised with the introduction of direct and indirect taxes. Thus, the Union attributes to the power of harmonization, an integration that occurs from indirect taxes that find ample space for support in Art. 113 TFEU (Calors Dos Santos, 2009; Kellerbauer, Klamert, Tomkin, 2024)[2]. This is a varied provision that issues numerous directives in the field of excise duties (Beiber, Schmaranzer,

2Such article affirms that: "(…) acting unanimously in accordance with a special legislative procedure and after consulting the European Parliament and the Economic and Social Committee, adopt provisions concerning the harmonisation of legislation relating to turnover taxes, excise duties and other indirect taxes, to the extent that such harmonisation is necessary to ensure the establishment and functioning of the internal market and to avoid distortions of competition (…)".

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2023)[3], capital collection[4] and the value added tax (VAT)[5].

The VAT was the first common tax for the Member States. It began its journey with the birth of the European Union[6] and has found itself at the center of a fruitful process of harmonization and integration. Legislation is also rich in this sector especially

3See in particular: Council Directive 92/84/EEC of 19 October 1992 on the approximation of the rates of excise duty on alcohol and alcoholic beverages, OJ L 316, 31/10/1992, p. 29–31. Council Directive 92/83/EEC of 19 October 1992 on the harmonization of the structures of excise duties on alcohol and alcoholic beverages, OJ L 316, 31.10.1992, p. 21–27. Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity (Text with EEA relevance), OJ L 283, 31.10.2003, p. 51–70. Council Directive 2008/118/EC of 16 December 2008 concerning the general arrangements for excise duty and repealing Directive 92/12/EEC. Council Directive (EU) 2020/262 of 19 December 2019 laying down the general arrangements for excise duty (recast), ST/14107/2019/INIT, OJ L 58, 27.2.2020, p. 4–42, OJ L 9, 14.1.2009, p. 12–30.

4Council Directive 2008/7/EC of 12 February 2008 concerning indirect taxes on the raising of capital, OJ L 46, 21.2.2008, p. 11–22.

592/218/EEC: Council Decision of 26 March 1992 adopting a specific

in indirect taxes and the greater incidence of indirect taxes for transnational trade within the Union. Indeed, Art. 113 TFEU (Kellerbauer, Klamert, Tomkin, 2024) refers to indirect taxes.

The disparity of direct taxation systems for the Member States does not neglect and does not require, however, yet another European intervention as a basis for mutual coordination.

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research and technological development programme in the field of biotechnology (1990 to 1994), OJ L 107, 24.4.1992, p. 11–17. Council Regulation (EEC) No 218/92 of 27 January 1992 on administrative cooperation in the field of indirect taxation (VAT), OJ L 24, 1.2.1992, p. 1–5. Council Regulation (EC) No 1798/2003 of 7 October 2003 on administrative cooperation in the field of value added tax and repealing Regulation (EEC) No 218/92, OJ L 264, 15.10.2003, p. 1–11. Council Regulation (EU) No 904/2010 of 7 October 2010 on administrative cooperation and combating fraud in the field of value added tax (recast), OJ L 268, 12/10/2010, p. 1–18.

6Second Council Directive 67/228/EEC of 11 April 1967 on the harmonisation of legislation of Member States concerning turnover taxes - Structure and procedures for application of the common system of value added tax, OJ 71, 14.4.1967, p. 1303-1312.

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The harmonization of the Union in fiscal matters affects direct taxes and the resources that finance the Union budget (Moravcsik, 2001). As a taxing power, that belongs to the Member States, is the determination of resources and their subsequent collection[7]. The preclusion to harmonize direct taxes, ex Art. 113 TFEU, has not prevented the Union from intervening in fiscal measures, which are based on Art. 115 TFEU (Kellerbauer, Klamert, Tomkin, 2024), providing for an approximation for

> "(…) legislative, regulatory and administrative provisions of the Member States that have a direct impact on the establishment or functioning of the internal market (…)" (Neau-Leduc, 2012).

The legislator of the Union has adopted the twin directives of

7"(…) charge of individuals or companies in the Community and be independent of decisions by the Member States; there must also be an automatic link between the Community and the source of revenue, i.e., each economic operation on which the Community tax is levied (…)". Also parameters that lato sensu have a fiscal nature contribute to the budget of the Union, which considers the fiscal resource.

Anti Tax Avoidance Directives ATAD I[8] and ATAD II[9] contrasting the phenomenon of international tax evasion. These are acts that have introduced a minimum standard of protection against aggressive tax planning within the internal market. They have established common rules that avoid the erosion of the tax base, that is, the base erosion, and the transfer of corporate profits outside the market itself, i.e. the profit shifting.

The combination of direct/indirect taxes in the tax sector justifies and prevents the phenomenon of double taxation, which causes distortions in the exercise of the taxing power and alterations to

8Commission Implementing Regulation (EU) 2016/952 of 15 June 2016 approving the low-risk active substance Saccharomyces cerevisiae strain LAS02 in accordance with Regulation (EC) No 1107/2009 of the European Parliament and of the Council concerning the placing of plant protection products on the market, and amending the Annex to Commission Implementing Regulation (EU) No 540/2011 (Text with EEA relevance), C/2016/3616, OJ L 159, 16.6.2016, p. 10–13.

9Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries, OJ L 144, 7.6.2017, p. 1–11.

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the correct functioning of the internal market as well as to operators, who conclude economic activities of a cross-border nature. The performance of profitable activities involves the production of wealth for states, which are subjects of double tax burden, that afflict and respect them within the borders of their own states.

Within this context, the directives in the company sector concern the tax regime, that is, corporate phenomena, namely mergers, demergers, contributions, exchanges of shares. Such phenomena are included in the Mergers Directive[10], parent companies and subsidiaries in the Parent-Subsidiary Directive[11], and payments

10Council Directive 90/434/EEC of 23 July 1990 on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States, OJ L 225, 20.8.1990, p. 1–5. It is understood that the choice for the control of corporate phenomena is placed in the concern that they thus avoid internal fiscal discipline as a harbinger of restrictions, disadvantages, distortions that have as their objective a fiscal neutrality that is different from the choice of the allocation of equal production for tax treatment.

11Council Directive 90/435/EEC of 23 July 1990 on the common system of

of royalties, interests, in the Interest and Royalties Directive between companies, which are associated to different Member States[12].

The Directive concerning the Dispute Resolution Mechanism-DRM (Perrou, 2019)[13], was created to establish a mechanism for the resolution of disputes in the matter of international double

taxation applicable in the case of parent companies and subsidiaries of different Member States, OJ L 225, 20.8.1990, p. 6–9. As foreseen by the directive, it is possible to avoid penalisation and cooperation between companies which thus constitute different member states as well as to avoid double taxation of an international nature thus ensuring the relative fiscal neutrality and the correct functioning of an internal market of companies as well as of the Union.

12Council Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States, OJ L 157, 26.6.2003, p. 49–54.

13Council Directive (EU) 2017/1852 of 10 October 2017 on tax dispute resolution mechanisms in the European Union, OJ L 265, 14.10.2017, p. 1–14.

taxation in the Union. The relative indications are part of a content that prevents situations, which interpret the applications that are different from the Member States, such as agreements, conventions that are against double taxation to avoid tax obstacles to trade, cross-border operations, i.e. distorting behaviors of the market.

This justifies within the scope of the Union the competence of the tax matter. The interventions are put into practice obviously not without difficulty a procedure that is implemented and provides for the treaties the preclusions for the remaining matters.

What are the problems about the lack of a fiscal union for the European Commission?

The legislative procedure in the area of fiscal matters requires a unanimous decision. It determines and responds to a choice that is made for the Member States in this specific sector (Lenaerts, 2011). Articles 113 and 115 TFEU concerning direct and indirect

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taxes lead to results for fiscal harmonization and for the approximation of legislation for the Member States and the procedure, as a rule followed through the unanimous consent of the representatives, that is, the Member States, the Council and the European Parliament.

A criticism offered from the European Commission opens a debate on a modus decidendi through a communication in 2019[14], which has to do with the effective use of rules in fiscal matters. The Communication and the European Commission itself spoke for the rigidity that is the result of the unanimous consent. The European Commission and the European leaders through alternative procedures based on unanimity have revealed obstacles on agreements of a minimum nature for businesses and consumers. Decisions taken unanimously can be revoked by the Member States following the same unanimous mechanism that weakens the results achieved as well as any other changes.

14Communication from the Commission to the European Parliament, the European Council and the Council, Towards more efficient and democratic decision-making in EU tax policy, COM/2019/8 final.

The revenues of the Union benefit proposals, that highlight a definitive VAT regime that fills more than 147 billion euros through tax avoidance and evasion, represents the major causes. Such proposals and other rules are based on the enhanced cooperation procedure offered by articles 116, 325 TFEU (Kellerbauer, Klamert, Tomkin, 2024) and the passerelle clauses. This procedure offers, also, to states the possibility to form joint initiatives within the limits of Art. 326, par. 2 TFEU (Kellerbauer, Klamert, Tomkin, 2024). Initiatives that aim to improve the common market and competition from distortions.

Art. 116 TFEU identifies a solution, that of the ordinary legislative procedure with qualified majority. In this regard, it is noted that:

> "(…) the Commission finds that a disparity existing in the laws, regulations or administrative provisions of the Member States distorts the conditions of competition in the internal market and, for that reason, causes a distortion which must be eliminated, it shall consult with the Member States concerned (…) European Parliament and the Council, acting in accordance with the

> ordinary legislative procedure, shall establish the necessary directives (…)” (Kellerbauer, Klamert, Tomkin, 2024).

In other words, the European Commission tries to constitute a valid alternative to the unanimity rule. Such a rule is based on the application of a practice that is noted from the past, i.e. a choice of the European Commission and a flexible instrument that through informal consultations, publication of green, white and incisive papers initiates infringement procedures for the application of rules on state aid.

Art. 325 TFEU (Kellerbauer, Klamert, Tomkin, 2024) provides that the ordinary legislative procedure and the qualified majority rule are also used for tax fraud in the field of VAT, to replace the unanimous consent rule, in a general and abstract way. The European Commission, thus, passes to a screening that goes through the passerelle clauses to the modification of unanimity. This is, therefore, a difficult process to implement.

The European Commission has a gradual approach based on four transition phases from the unanimity rule to the qualified

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majority, allowing Member States to adapt and used this novelty. The use of the qualified majority employs the fight against fraud, tax evasion and avoidance. Fiscal measures, political objectives, as well as the fight against climate change, energy policy and environmental protection find a large space for implementation through the qualified majority mechanism. Moreover, the changes made and issues such as VAT and excise duties are adapted to a system that responds to the needs of the market.

The remaining proposals include projects such as those relating to the CCCTB and CCTB directive (OECD, 2015)[15] and the tax for the digital economy.

15Communication from the Commission, A fair and efficient corporate tax system in the European Union: 5 key areas for action, COM(2015) 302 final. Proposal for a Council Directive laying down rules relating to the corporate taxation of a significant digital presence, COM(2018) 147 final and Proposal for a Council Directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services, COM(2018) 148 final.

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The European Commission sent a new communication to the Council and the European Parliament on 15 July 2020 (Tax Package)[16], taking into account the economic crisis of the Member States during the pandemic and the common tax discipline. The Tax Package and the European Commission were based on the creation of a system that characterizes fair, simple taxation for the recovery strategy, as well as the revision of such strategy and the provision of future initiatives that have to do with direct and indirect taxation.

In this spirit, the revision of the Directive for administrative cooperation[17] introduces an automatic exchange of information into the tax authorities of Member States relating to income, revenues generated and digital platform sellers, thus clarifying

16Communication from the Commission, Action Plan for Fair and Simple Taxation to support the Recovery Strategy, COM(2020) 312 final, p. 3ss. ("Tax Package").

17Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC, OJ L 64, 11.3.2011, p. 1–12.

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the existing rules and their scope of application.

In order to do so, the communication based on good governance controls the tax sector inside and outside the Union[18]. The willingness of the Member States to still maintain their sovereignty with regard to direct taxation[19] underlines the need for an institutional apparatus suited to achieve integration in taxation matters and a common budget between the main functions of the Union and the Member States.

Fiscal federalism as a possible alternative for a Fiscal Union

The theory of fiscal federalism aims, among other things, to shift taxation from the state to local authorities. It forms an instrument that overcomes the limits of the European budget and is oriented

18Communication from the Commission to the European Parliament and the Council on tax good governance in the EU and beyond, COM(2020) 313 final.

19CJEU, 17 June 1999, C-166/98, Socridis, ECLI:EU:C:1999:316, I-03791, par. 26. 1st October 2009, C- 247/08, Gaz de France-Berliner Investissement, ECLI:EU:C:2009:600, I-09225, par. 52.

within a perspective of solidarity for the Member States that will be able to manage and control the fiscal union in a distinct way (Hinarejos, 2023)[20].

Fiscal federalism controls the different levels of governance on the same way, that interacts in synergy with coordination and competition through a better allocation of public resources (Vanecloo, 2006). Federalism offers the principles of equity and efficiency to the various levels of government through the functions of redistribution, allocation, and stabilization.

The transformation of the Union through crises and the devolution of powers to Member States show a European structure that puts fiscal federalism on the same level with

20Hinarejos affirms that: "(…) any multi-level or fiscally decentralized system faces a number of challenges, including how to address imbalances and structural divergences and how to counter (asymmetric) economic shocks (…) tools are an essential element in addressing these challenges: from the centre's own spending power, to intergovernmental transfers, or the use of federal taxation as an automatic equalizing mechanism (…) the sorts of tools that the EU does not have, or not to an effective degree (…)".

stabilization functions. A stabilization that is necessary after financial crises at European level and beyond, in the external form of the budget of the Union. In other words, the expansionary measures of the monetary policy of the ECB as well as the European Stability Mechanisms (ESM) are the result of an intergovernmental agreement that come outside the narrow perimeter of the European institutions and the European budget, in order to establish the shocks of the European economy.

Within the same framework, the redistribution of fiscal federalism is entrusted to national governments and citizens given the differences existing between Member States. Union's task is to implement the redistribution through a cohesion policy and structural funds for investment and transfer of resources to regions that are in a situation of hardship. It is exercised at a national level especially for public goods, defense, foreign policy and security. Thus, the title and the budget items of the MFF 2014-2020 allow, from the data we have in our hands, to speak of 73% of the EU budget being based on territorial

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redistribution[21].

The European Commission with the proposal of the MFF 2021-2027 frees up useful resources and finances European public goods by building a budget line dedicated to the Eurozone to subsidize the European stabilization function[22]. This is a solution that allows the divergences and related cyclical trends of the various economies to be managed within the monetary union.

In 2012, the Four Presidents' Report[23] has called into question the fiscal capacity of the Eurozone. The relevant report of the

21See from the European Commission long term EU budget of March 2021: https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/2014-2020_en

22Communication from the Commission, A modern budget for a Union that protects, empowers and defends. Multiannual Financial Framework 2021-2027, COM(2018) 321 final, 2 May 2018.

23European Council, Towards a genuine Economic and Monetary Union, Report by the President of the European Council, Herman Van Rompuy, 26 June 2012: https://www.bankingsupervision.europa.eu/about/milestones/shared/pdf/2012-06-26_towards_genuine_economic_and_monetary_union.pl.pdf

four presidents highlights forms of stabilization through a convergence and competitiveness instrument that has as its final objective to support all financial incentives of a restrictive, temporary, flexible nature for the Member States that are concluded under contractual agreements for the institutions of the Union. It is a central instrument that establishes macroeconomic objectives and partially absorbs asymmetries of the Euro countries.

In 2017, after the impetus of France, it was proposed the creation of a budget that separates from the EMU the resources that are financed for the digital, environmental, financial sectors, thus proposing the establishment of a minister for finances of the Eurozone.

This proposal has also met oppositions, especially from the Hanseatic League, which does not look favourably on the transfer of sovereignty, thus leading the Eurogroup in 2019 to put the issue in terms of support for national economies and with the aim of placing them at a level of greater resistance and

effective capacity[24].

Stabilising and exercising fiscal rules outside the Union budget means creating a fiscal space for periods that favourably intervene to support governments and allow low-rate financing and bond purchase programmes, which are in turn linked to programmes stipulated through the ECB.

These are adjustments to the fiscal transfer, which lead to a sharing of the Union budget. The European Commission thus proposes and adopts an approach that is oriented towards the Union budget policy. In a decisive way, spending is focused on evaluation, monitoring and to the results obtained from the economic competence policy.

The Treaties already havve established competence policies that thus share the environment, energy, transport and trans-European

24Consilium, Term sheet on the budgetary instrument for convergence and competitiveness (BICC), Press release, March 2021: https://www.consilium.europa.eu/en/press/press-releases/2019/10/10/term-sheet-on-the-budgetary-instrument-for-convergence-and-competitiveness-bicc/

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networks between the Union and the Member States. They are considered public goods, essential for the society through a greater centralization of their supplies. This is how they define and specify what constitutes a European public good that passes through a complex task to a public benefit.

Thus, the European public goods of "gen-Z" include the fight against climate change, research, the development of large-scale projects such as cooperation, development, financial assistance for third countries, immigration policies, immigration protection, military defense, promotion of democratic values, etc., i.e. areas that challenge objectives that are set in international forums as valid reasons for management at a European level[25].

25See for example the provision of a coordination that uses the related revenue caps for energy production according to the Regulation n. 2022/1854 as a type of measure that balances at European level the financial resources for the Member States. Thus, the revenue cap can: "(…) generate revenues for the Member States that allow them to finance measures to support final electricity customers, such as households, small and medium-sized enterprises and energy-intensive sectors, while preserving both price

The centralization of expenditure reduces fixed costs through the effect of economies of scale, creating a European added value[26], that evaluates costs and benefits.

The management of public goods requires the involvement of citizens through the European Parliament, a political process that legitimises representativeness at a European level. Thus, the parliamentary debate ensures representativeness and a compromise that obtains all the needs requested by the stakeholders. Also, the involvement of the European Parliament allows to overcome the impasse of unanimity. The qualified majority is exalted as a procedure that does not compromise and does not compare preferences.

In such a way, the Union finds a basis for new challenges that are linked to climate, environment and energy. Solidarity in fact

signals on markets across the Union and cross-border trade (…)".

26European Commission, The Added Value of the EU Budget, SEC(2011) 867 final, p. 2. European Commission, The EU Budget Review, COM(2010) 700 def., p. 5.

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with a mandatory way takes into account the objectives that are shared by individual Member States. As well as an unlikely achievement of a result through policies, which reflect the relative system of competences that with a unique way report to a circle of management and co-ownership.

Concluding remarks

The considerations of the unanimity rule and the lack of representativeness embrace arguments that oppose the creation of a fiscal union. Thus, the objections try to solve a basic problem, namely the loss of independence of the Member States in the fiscal sector, which constitutes the main obstacle towards fiscal union.

It is also added that fiscal resources, through federalism, are allocated between European citizens and local, national governments, that is, through a function that the European budget alone does not perform.

However, fiscal problems can find other solutions, namely based on the type of body/authority that attributes the taxing power. For example, the structure of the co-decision procedure through the European Parliament and the Council creates an ad hoc authority, that places the institutions and the decisions taken on democratic bases, that is a structure that can be used to create a fiscal union, since it has supranational nature, which is not limited to specific issues.

It is difficult for corporate taxes and personal income to hypothesize a European budget of a counter-cyclical nature, which uses the European financing, that is part of the 1% of the Union and national governments. Member States can thus draw a budget for half of the public loan, which abolishes a balanced budget.

Consequently, a slow European machine for taxation is noted. The steps are small, timid and sometimes with periods of complete stasis. It is reiterated that the states are not ready and do not give up part of their sovereignty, since the taxing power

represents public and not European powers.

Member countries, only, faced with an exogenous shock with asymmetric impact in the European context, reveal and accelerate the construction of the Union fiscal policy.

Fiscal policy is also connected with the enlargement of the Union. In fact, the enlargement of the Union becomes effective and revises the size of the European budget in nominal terms of the percentage of the GDP. 2027 lays the foundations for an experiment that makes the Union as the largest issuer of debt in the form of Eurobonds[27].

27Grund and Waibel affirm that: "(...) NGEU marks a significant step towards a genuine European safe asset, the funds raised must be used exclusively to finance the recovery from an exceptional occurrence, a once-in-a-century pandemic (…) specifically according to Art. 122 TFEU, the NGEU cannot become a permanent debt issuance facility to fund the EU budget continually. But what is the alternative? Transitioning from a crisis mechanism like the NGEU to genuine Eurobonds with joint and several liability will very likely run into insurmountable legal obstacles, most notably in the form of the no bail-out clause (…) alternative proposals that avoid debt mutualization are SBBS and E-bonds, although both instruments

By the Conference on the Future of Europe of 2022[28] and the related Franco-German report from September of 2023[29] the proposals for the revision of the treaties that have been put forward by the European Parliament are oriented towards a series of changes that are necessary for the fiscal matter and for

come with their own operational and legal challenges that warrant further assessment. Overall, notwithstanding the agreement on a common fiscal reaction to the pandemic, hailed by some as Europe's (…) permanent Eurobond facility will have to be fully supported by Euro-area Member States to ensure market acceptability and legal feasibility of such an instrument (…)".

28Conference on the Future of Europe, Report on the final outcome, May 2022: https://www.europarl.europa.eu/resources/library/media/20220509RES29121/20220509RES29121.pdf

29Report of the Franco-German working group on EU Institutional reform, Sailing on High Seas: Reforming and Enlarging the EU for the 21st Century, Paris-Berlin. Politico (18 September 2023): https://www.politico.eu/wp-content/uploads/2023/09/19/Paper-EU-reform.pdf

employment on the agenda (Schoeller, 2020)[30].

In sum, the moment is certainly ripe toward a European institutional structure that conceives the fiscal management in terms of integration and harmonization. A construction at a European level of a national structure of fiscal power for the European Parliament is represented. A power that through the reserve of law at a European level, guarantees the adoption of legislative acts of a binding nature. Therefore, these instruments are still unloaded and need a greater level of commitment for further profitable results in the near future.

30European Parliament, Report A9-0337/2023, on the European Parliament's proposals for amending the Treaties: https://www.europarl.europa.eu/doceo/document/A-9-2023-0337_EN.html

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